

Eligibility Simplification Proposals

SPECIFIC QUESTIONS

Proposal #1: Standardization of Income Treatment (ALTCS Only)

1. In the last sentence of your “Proposal for Simplification” (page 8), you state that “AHCCCS will continue to disregard income in the eligibility determination process if the income is diverted to an income-only trust established under section 1917(d)(4)(B). . . but will count the income in the post-eligibility calculation.” Please clarify the rationale for this apparent exception to the standardization of income treatment.

Proposal #2: Elimination of the 30-Day Wait for Use of 300% of SSI Income Limit (ALTCS Only)

2. According to your write-up (page 11), the proposal will not increase the number of individuals who qualify for ALTCS benefits. However, won’t there be a cost associated with bringing these individuals into managed care earlier than is done currently? If so, please estimate this cost.
3. You state (page 10) that this change will be applied for ALTCS applicants when the need for at least 30 consecutive days of an institutional level of care has been confirmed by the PAS. You also use the terms “nursing facility” and “medical institution” at various places in the proposal. Does the 30 consecutive days apply to time spent in a nursing facility, hospital, or either?
4. What if an applicant is determined to need at least 30 consecutive days of institutional care, but doesn’t end up staying for 30 consecutive days? Depending on your answer to Question 2, could the 30 days consist of a combination of nursing facility and hospital days?

Proposal #3: Disregard Income and Resources of Spouses and Parents in the Month of Separation (ALTCS Only)

5. You state (page 13) that although the proposal will not cause additional individuals to qualify for ALTCS benefits, some individuals may qualify one month earlier than currently. What is the associated cost?

Proposal #4: Exclusion of In-Kind Support and Maintenance (ISM) as Income (All Target Populations)

No questions.

Proposal #5: Use a Less Restrictive and More Equitable Methodology in the Income Eligibility Determination for Cases When the Applicant/Recipient has an Eligible or Ineligible Spouse (ALTCS and SSI-MAO)

No questions.

Proposal #6: Simplification of Life Insurance and Burial Funds Policy (Pickles, Disabled Widows and Widowers, and Disabled Adult Children)

6. What steps will be taken to assist current eligibles with revocable burial arrangements to convert these to irrevocable arrangements?
7. Is it anticipated that any current eligibles will be unable to make this conversion within the time allotted? What will happen to these people?

Proposal #7: Exclusion of the Value of Household Goods and Personal Effects (Pickles, Disabled Widows and Widowers, and Disabled Adult Children)

No questions.

Proposal #8: Exclusion of the Value of Mineral, Oil, and Timber Rights (Pickles, Disabled Widows and Widowers, and Disabled Adult Children)

No questions.

GENERAL QUESTIONS

1. You have pointed out that Proposals 2 and 3 apply to applicants, and so cannot possibly adversely affect current eligibles. Further, you have noted that Proposal 4 involves a liberalization of eligibility, and so cannot cause current eligibles to become ineligible. You have also indicated that under Proposal 1, only one ineligible person would have been determined eligible since the beginning of AHCCCS had this policy been in place (however, this is not the same as a current eligible losing eligibility).

Could any of the proposals result in current eligibles losing eligibility or in preventing someone from becoming eligible who would be eligible under the current standards? If so, how many people in each of these 2 categories might be affected?

2. Since a number of these proposals result in cost increases (although expected to be minor), we would like you to discuss how the demonstration will remain budget neutral. Please note that State administrative savings are not part of the with and without waiver expenditure tests. Also, it is not clear that the administrative simplifications will actually result in dollar savings, even though they will save time. It would seem unlikely that

staff positions would be reduced in light of these simplifications (although the need for overtime might be expected to decrease).

3. If you expect a substantial increase in the number of SSI-MAO applications due to welfare reform, how would this increase your projection of the cost of these proposals?
4. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 was enacted shortly after your proposal was submitted. Is it possible that any SSI provisions of this Act, the implications of which are not reflected in the long term care database you used to assess the impact of the proposals, would cause you to rethink any of your impact estimates?
5. What type of documentation/tracking/reporting do you propose in order to monitor the impact of these new policies?